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E.O. 12598: N/A

TAGS: PGOV PREL ECON KDEM EMIN ASEC GV

SUBJECT: TRIP REPORT - CHARGE VISITS NEIGHBORING FRIA PREFECTURE

- 11. (SBU) SUMMARY. The Charge and Pol/Econ Chief traveled about two hours north of Conakry to the prefecture of Fria on August 2 where they met with the newly installed prefect, elected city officials, and representatives from civil society, political parties, and unions; toured the Russian-owned Rusal bauxite mine; and received a grateful welcome from a women's cooperative funded through the Ambassador's Self-Help Fund. Following reports of uneasy transitions for Prime Minister Kouyate's newly appointed prefects, we found the new prefect peacefully settling into his office after two weeks on the job. Government officials and community leaders alike expressed concern over delays in scheduling legislative elections and ongoing economic challenges. END SUMMARY.
- 12. (SBU) The prefecture of Fria includes 122,000 residents and the first bauxite mine in the country, which started operating in 1960, and is currently owned by Rusal, who purchased it from U.S.-owned Reynolds in 2004. In an initial meeting with the Charge, the new Prefect, M. Moundjour Sherif, said that while some other prefectures reported problems with the transition from former to newly appointed prefects, Fria's transition was peaceful and problem-free. Fria's Mayor, Elhadj Mamadou Alpha "Diallo Syli," agreed and said that the local population willingly accepted the new prefect while in a quiet aside, he emphasized that the new man would have to prove himself. After two weeks in office, the Prefect, who had some years earlier been assigned as a secondary school teacher in Fria and knows the town, said that he is focusing on getting his administrators together and developing a program of action for the duration of his appointment.
- ¶3. (SBU) Before a tour of the Rusal bauxite mine, mine managers described the company's corporate programs in the prefecture, which include a recently completed \$5 million road improvement project, funding for a local hospital, and the establishment of a technical school to develop the local labor pool. In a later meeting with civil society and local government representatives, participants complained about the mine's lack of investment in the local community, which they described as very low relative to its nearly 50-year history and high profitability. Rusal's \$5 million road project was in response to strikes in late 2006 during which residents demanded that Rusal fix the roads. Even after Rusal provided funding to the local government, residents struck again in February arguing that local government officials were pocketing the money since no work had been started. The problem seems to have been resolved now that the road has been completed. In an aside, Rusal's manager said he had been brought in nine months ago to resolve some serious technical issues. However, he spends 75% of his time on personnel matters.
- 14. (SBU) Rusal is the only company in Guinea currently extracting alumina from its mined bauxite before export. The average alumina content at Rusal is 40%, which is high when compared to world bauxite deposits, but relatively low when compared to some other mines in Guinea. The mine includes confirmed bauxite deposits of 360 million tons, but could contain as much as 1 billion tons. At current processing rates of 2.5 million tons of bauxite annually,

the mine could continue to produce for over 100 years. Rusal management plans to expand operations in the near future and has invested considerable (undisclosed) sums on five steam/electric generators and other upgrades following its purchase from Reynolds.

- 15. (SBU) A widely attended meeting with representatives from civil society, central and local government, political parties, and unions generated a lively discussion of political and economic issues. Concerns over upcoming legislative elections were foremost in people's minds, and in particular, the GoG's lack of progress in taking the concrete steps needed to advance the process. A representative from the Rally for the Guinean People Party (RPG) speaking on behalf of opposition parties, stressed that the formation of the Independent National Electoral Commission (CENI) is critical to transparency. "The CENI's neutrality must be absolute." He added that CENI delegates should be people who know the electoral code well. The representative from the Party for Unity and Progress (PUP) said that the majority party wants the same things, noting that if the elections are well-organized, "they would not be contested."
- 16. (SBU) Local union representatives echoed concerns about the upcoming elections and said that "every Guinean is demanding change." Representatives also commented on the rising cost of living and the difficulties people face in meeting basic needs. Global connectivity is another concern, particularly voiced by union leaders who along with government officials, political parties and civic society, lack the necessary equipment and technology for information gathering and sharing.
- 17. (SBU) Administrators of local government units emphasized that while elections are organized at the national level, they are executed at the local level. Government officials were especially concerned about obtaining the materials and financing necessary to effectively organize the elections at the polls in provincial

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centers and out in the countryside.

- 18. (SBU) A representative from a local NGO promoting youth issues said that the HIV infection rate is increasing in Fria, without producing any figures, and requested financing to help combat the problem. He also commented on the high unemployment rate among Fria's youth, saying that young people want to work but do not have the necessary skills or education.
- ¶9. (U) The Embassy received a warm welcome from a women's cooperative funded through Self-Help. The participants proudly displayed their crocheted handiwork and showed off their new bare bones classroom aimed at improving literacy.
- 110. (SBU) COMMENT. Talks with local leaders confirmed that the delayed legislative elections and the need for transparency are major concerns. It was also evident that people were misinformed about planned election processes such as voter registration, a problem that may be alleviated once the CENI is established. Financial hardship and poverty among the population is another issue, even in a town where the Rusal mine gainfully employs about 1000 local residents and covers some 1400 pensioners whose stipends are badly eroded by inflation. END COMMENT.

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